

2019 ANNUAL REPORT



Reaching New Heights



**CREDIT
UNION**

EAST COAST

Member-Focused
Cooperative **Honesty**
Advice *Transparency*
Community - Minded
Financial Success *Ownership*
Social Purpose **Bank+**
Trust Economic Development
Innovative *Environmental*
Partnership *Investment*



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Message from your CEO

The close of 2019 marked the end of a successful year, but also the end of an accomplished decade. I am pleased to share an overview of 2019 with you and also share the accomplishments of our great team at East Coast Credit Union. The focus of the past year has been growth, innovation, community support, and strengthening and growing our relationships with new and existing members. We ended the year with strong growth and were pleased to see an increase in members, assets, loans and deposits at the close of 2019.

The year was filled with accomplishments and challenges as we adapted to change and celebrated successes. We continued to analyze the financial services industry which shows a clear trend in the use of digital banking services. We introduced a new strategy that was developed from the analysis of our branch network and provides key insight into consumer banking habits. This strategy is designed to effectively manage our branch network, improve service to members at each touchpoint including digital technology and help us remain competitive in



Ken Shea

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The focus of the past year has been growth, innovation, community support, and strengthening and growing our relationships with new and existing members.

Top: New Glasgow open concept branch transformation.

Bottom: East Coast Credit Union employees celebrate the grand re-opening of the Inverness branch



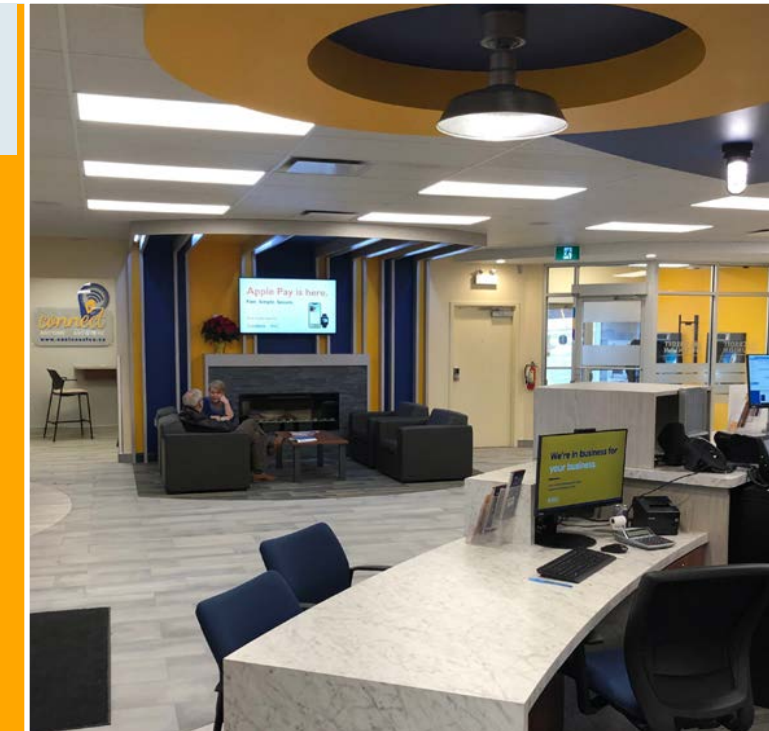
the marketplace. We will be implementing exciting new initiatives in 2020 to compliment this strategy and to meet the increased need for digital solutions while enhancing all channels of our everyday banking services.

We understand that our member-focused employees are key to the success of East Coast Credit Union and continue to make employee engagement a priority in 2019 with our employee engagement survey. This survey is sent to all employees and feedback is collected to gauge how well we are doing, and we are pleased to share that overall our staff rated engagement positively.

Ensuring that we deliver top of the line member experience is critical to our success and was at the forefront of plans in 2019. We made improvements that focused on meeting the changing needs and expectations of our membership and community. One of these initiatives was the Inverness and New Glasgow branch transformations.

Through these transformations we have provided a new experience and an enhanced atmosphere for our members. Our goal with these branch transformations is to create a comfortable and welcoming open concept environment that encourages financial discussions, interaction, community engagement, and increases access to and learning of self-service technologies. The transformations are more than just a new look, they are about a new experience and a commitment to our future. We would like to thank our members and staff for their support during these renovations.

Adapting new technologies to address the needs of our members and to grow East Coast Credit Union has been a key focus and will continue to be in the future. We introduced a product called ClickSWITCH™ in 2019 which is a fast, free and secure way for new members to easily switch their automatic payments and direct deposits to their East Coast Credit Union account. Apple Pay was also



introduced to our new credit card program, which provides ease of payment with an Apple device. These are just a few examples of steps we are taking to meet the ever-increasing demands for digitization. We are very excited about the significant progress made in 2019 to set the stage for more digitization set to launch in 2020 to meet the needs of our members!

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In 2019 we continued to demonstrate our commitment to our communities by giving back in many ways. Each year we witness even more passion and dedication to our communities, and it is something we are very proud of. We held the third annual

#EastCoastCUCares Random Acts of Kindness campaign, which was even bigger in 2019! Our staff performed many wonderful acts of kindness throughout our communities over the course of several weeks with a final celebration of our members and community on International Credit Union Day in October 2019. We also invested in our communities by providing financial and in-kind support to important organizations like L'Arche Cape Breton, Junior Achievement, several hospitals across our region, Nova Scotia Nature Trust and much more. We were also the presenting sponsor of the first annual Nova Scotia Summer Fest which took place in Antigonish. This was a great first annual event bringing families from across the province together. The funds raised from the event are used for local youth to attend summer music camps. This event is another example of many East Coast initiatives that demonstrate the dedication of our staff supporting their local communities. Thank you to each and every one of you for your role in making these initiatives a success.

East Coast Credit Union's accomplishments were proven by the many awards and acknowledgements we received in 2019. We were honoured to receive the prestigious Coady Award, which celebrates credit unions

that give back to their community in real ways, demonstrating leadership in the areas of co-operation, volunteerism, education and environmental sustainability. We were also selected as one of Atlantic Canada's Top Employers by Atlantic Business Magazine. In addition, we were recognized as one of the Top Employers in Nova Scotia and were among 15 award winners featured in the Top Employers Special Section edition of the provincial Chronical Herald.

At a National level, we were recognized for our achievements. For the 2nd year in a row, we were recipients of the Canadian Credit Union Association National Award, winning in the category of Community Economic Development for our role in the Michelin Development Program. A program that resulted in the creation of 314 jobs at more than 92 businesses in rural Nova Scotia! We were also recognized on the National stage with an AIME award which recognizes achievements in marketing excellence. In addition, we were thrilled to have been recognized on the National stage as a nominee of the Central 1 Innovation Credit Union of Year.

I would like to thank our staff, management team and board members for the



contributions made to East Coast Credit Union in 2019. Our staff are our greatest asset and they continue to prove that with our shared accomplishments in 2019. They worked diligently throughout the year to help our organization grow and prosper in an industry that is constantly changing. Thank you for the support and dedication you have demonstrated in 2019. I look forward to working with you in 2020. Thank you to our Board of Directors for your guidance this past year. Your clear direction and governance were vital to our success.

We would also like to thank our members who supported us throughout 2019 as we navigated through changes necessary to prosper and grow into the future. Your support helped make 2019 a successful year and played a key role in our growth and success. Your dedication to East Coast as we continue to build a strong future has never been more important. I look forward to making 2020 another successful year as we kick off a new and exciting decade!

Message from your Chair



ECCU Board of Directors’ strategy continues to focus on our members, product and service innovation, developing and engaging employees, embracing new technologies, investing in digitization and engaging our communities.

This year (2020) we ushered in a decade of new challenges and new opportunities most of which are attributed to the disruption posed by the digitization trend. The use of mobile banking outpacing the use of desktop banking is evidence of the increasing trend toward digitization. Digitization of financial services are inevitable and offer advantages to our members including conveniences in accessing financial services, reductions in transaction costs, elimination of the rural and urban gap for products and services and increased reduction in the use of cash.

East Coast Credit Union (ECCU) continues to position itself to meet the challenges and to embrace those opportunities. The ECCU Board of Directors’ strategy continues to focus on our members, product and service innovation, developing and engaging



Mary Oxner

employees, embracing new technologies, investing in digitization and engaging our communities. Digitization requires a significant investment and we will need to consider the source(s) and level(s) of investment to meet the expectations and needs of our members. In addition to the investment in digitization, investments in our employees and our communities will remain a priority and will continue to distinguish ECCU from our competitors. In 2019, ECCU has been fortunate to have been recognized for our innovations in support of members, employees and community at both regional and national levels.

2019 had its own challenges and successes - 2020 will bring more. We look forward to helping our members as we face the challenges of 2020.

Financial Highlights

Membership	Assets	Loans	Equity
42,623	\$850,564,283	\$717,705,338	6.45%

Click Here

to review ECCU’s Financial Statements for 2019

Your Board of Directors



Back Row:

Dan Fougere
Bill Timmons
Tyrell Giffin
Leroy MacEachern
Trevor Boudreau
John Berk

Front Row:

Anne Sears
Helen MacPherson
Kathy MacDonnell-Rankin
Mary Oxner (Chair)
Melanie Sampson
Randy Peters



Leading the Way

The Board of Directors at East Coast Credit Union are elected by the membership and play a vital role in leading the way to our success as an innovative, sustainable and caring organization. Their leadership and guidance is critical in making sure we stay on track with those important steps that will help us reach our goals. Their vision for the journey ahead is exciting and we invite you to join us for the climb.

Service Awards 2019



5 years

Jessica Sellars
Meaghan MacIntyre
Barb MacNeil
Kelly Gillis
Amy Johnson

10 years

Diane Gillis
Chasity Sampson
Mariann Cyr
Denee Mattie
Kim Sampson
Mike Dunn
Kirstie Wright
Stacey Pottie

15 years

Angela Ashley
Annette Fraser
Sheri MacLeod
Debra Kelly
Tena Young
Liz MacLean
Ken Shea
Sherri MacIntyre
Annette MacDonell

20 years

Rosemary Fox
Sally van de Wiel
Sandy LeFloch
Mandy Evans

25 years

Kimberly Cranton
Shelley Landry
Liz Harvie

30 years

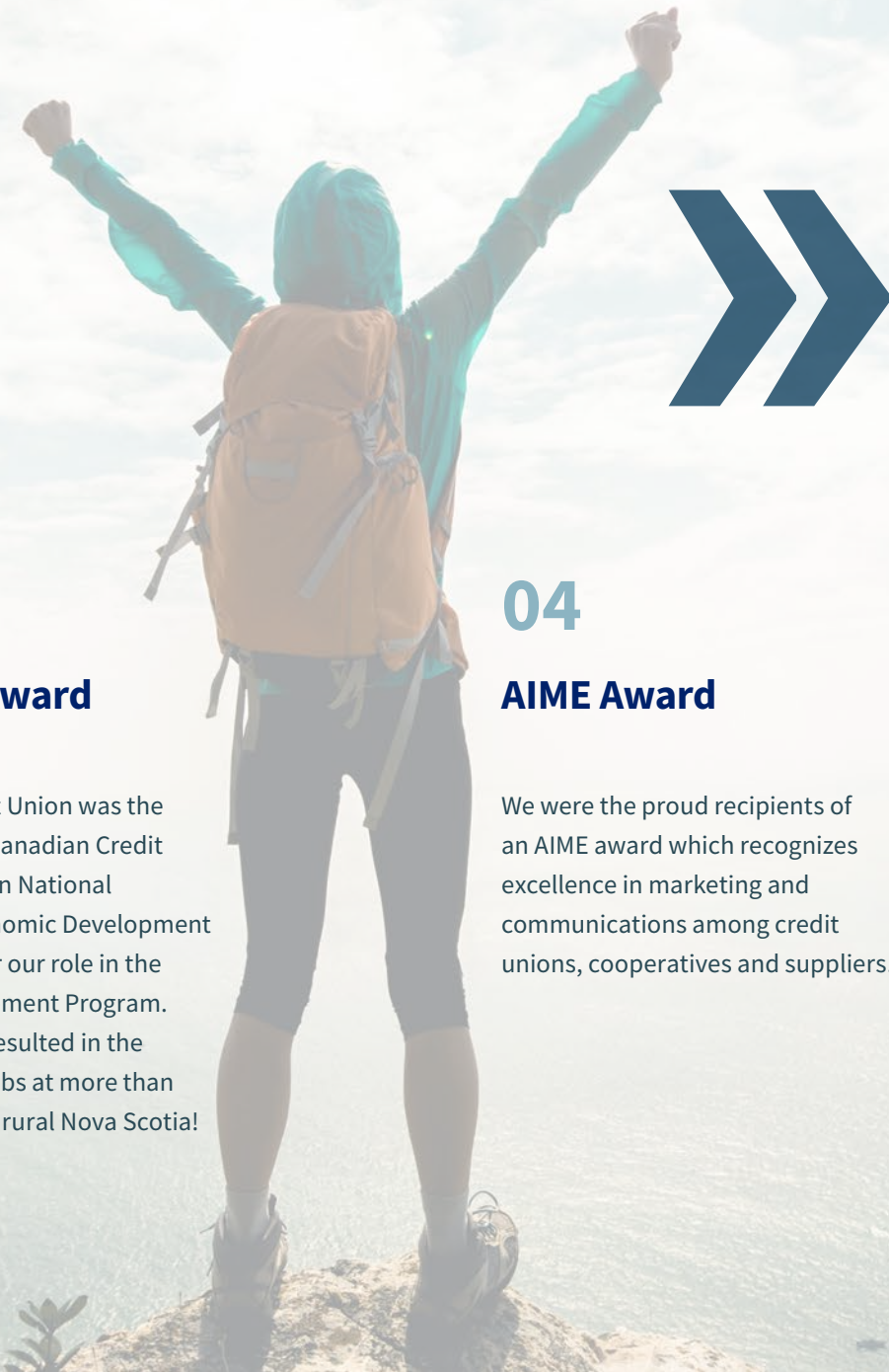
Mary Barter
Lisa Smith
Lorraine MacDonald
Susan Peterson
Kathy Farrell
Annette Sampson
Tammy Chittick
Sandi Hayne
Janice Mason

45 years

Kaye Harrison

Our employees go above and beyond and their years of experience and dedication to members is what makes East Coast Credit Union soar high.

Celebrating our Achievements



01

Top CEO

Our President and CEO, Ken Shea, was recognized as one of Atlantic Canada's Top CEO's for 2019.

02

Coady Award

East Coast Credit Union was honored to receive the prestigious Coady Award, which celebrates credit unions that give back to their community in real ways, demonstrating leadership in the areas of co-operation, volunteerism, education and environmental sustainability.

03

National Award

East Coast Credit Union was the recipient of the Canadian Credit Union Association National Community Economic Development Award in 2019 for our role in the Michelin Development Program. A program that resulted in the creation of 314 jobs at more than 92 businesses in rural Nova Scotia!

04

AIME Award

We were the proud recipients of an AIME award which recognizes excellence in marketing and communications among credit unions, cooperatives and suppliers.

2019 Awards & Recognition



We reach new heights together!

CU of the Year

We were honoured to have been recognized as a nominee for Innovative Credit Union of the Year in 2019. Although we did not win, being recognized on a National level as being innovative is an exciting accomplishment.

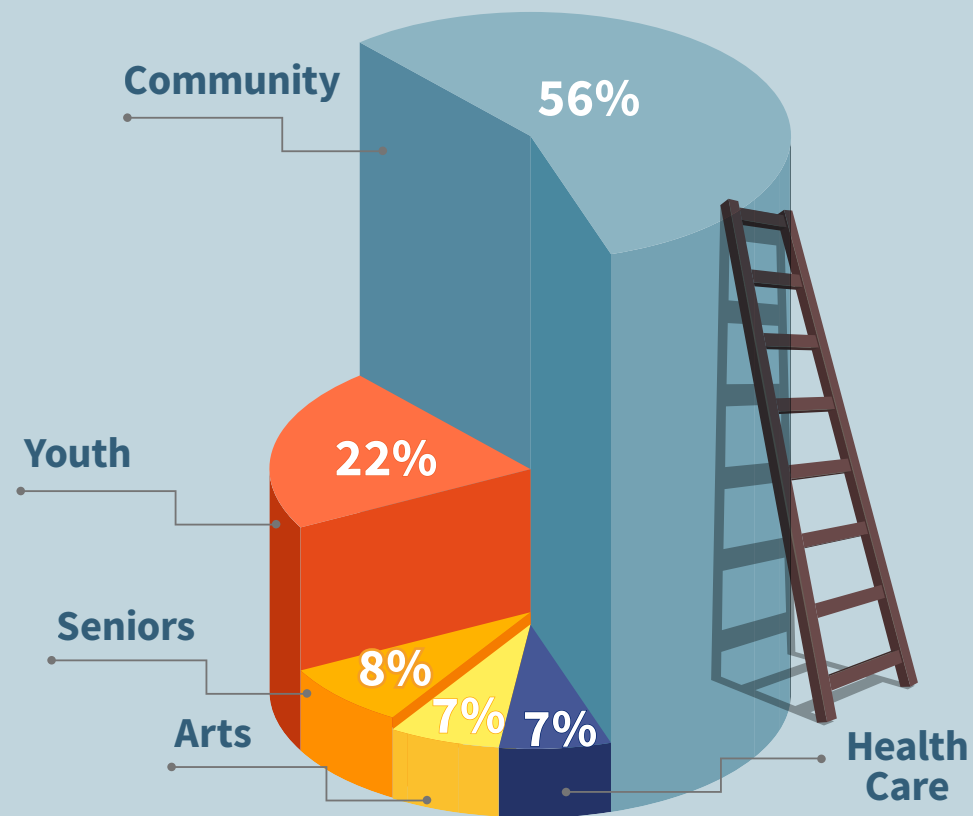
Caring for our communities

In 2019 we contributed **\$822,063** to our local communities and organizations.

\$304,063
financial contributions

\$518,000
in kind contributions

Our staff and board members collectively donated over **6,540** volunteer hours.



Audit Committee Report

The East Coast Credit Union Audit Committee met on five occasions since the last Annual General Meeting. Audit Committee members are Dan Fougere, Randy Peters, Anne Sears and Bill Timmons. The Committee meets at least quarterly and arranges its agenda so that, on an annual basis, the required duties are performed and appropriate action taken as a result thereof.

Quarterly meetings of the Audit Committee are held to review interim financial reports, key performance indicators, compliance with CUDIC benchmarks, Enterprise Risk Management measures and our own internal policies and procedures.

Your Audit Committee participated in a comprehensive review of the external audit plan as developed by BDO Canada LLP. Building on the experience of prior years, the audit team presented a plan designed to test and evaluate critical internal control measures and risks to East Coast Credit Union.

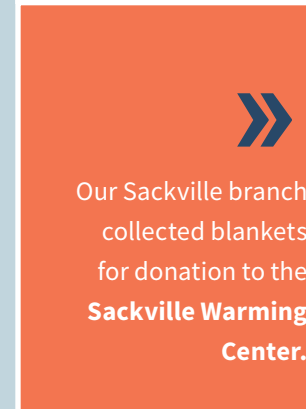
Upon completion of the audit, the BDO audit team met with our Committee and presented a thorough analysis of the financial results and the accompanying notes to the financial statements for the year ended December 31, 2019. An unqualified audit report was issued and the external auditors did not discover any material deficiencies in the internal control practices of East Coast Credit Union. The auditors provided a couple of recommendations for internal control improvement, all of which have been accepted and will be implemented by management.

Understanding the increasing pressures in the economy and the industry, your Audit Committee extends a note of gratitude and congratulations to management and staff for their continued efforts to deliver strong year over year financial performance in fiscal 2019.

—Dan Fougere, Audit Committee Chair



Our Baddeck branch delivering treats as part of #EastCoastCUCares **Random Acts of Kindness** initiative.



Our Sackville branch collected blankets for donation to the **Sackville Warming Center**.



As Presenting Sponsors, staff attended the first annual **Nova Scotia Summer Fest**.



Our Port Hood branch celebrating **Member Appreciation Day**.



WE FACE NEW CHALLENGES TOGETHER



EAST COAST

At East Coast Credit Union, we provide banking that goes further. We're more than a bank. We make a local impact. Your money stays here. You are more than a customer, you are a member.

1-866-230-7700

eastcoast@creditunion.ca

